

The government's proposals in the budget

- Today we deliver our Budget for Growth by focusing on the Chancellor's four pillars of Enterprise, Employment, Education and Everywhere:
 - Extending 30 hours of childcare a week to working parents of children aged 9 months to 4 years
 - Paying Universal Credit childcare costs up front rather than in arrears
 - Introducing reforms to the childcare sector including changes to 2-year-old staff: child ratios from 1:4 to 1:5
 - Introducing a £25 billion three-year tax cut for business investment
 - Increasing the annual pension allowance to £60,000 and abolishing the Lifetime Allowance
 - Establishing a new Universal Support programme for disabled people and the long-term sick
 - Abolishing the Work Capability Assessment and increasing the Administrative Earning Threshold to 18 hours
 - Extending the Energy Price Guarantee at £2,500 for three months
 - Freezing fuel duty for a thirteenth year, saving the average driver around £200
 - Delivering a Brexit Pub Guarantee so draught duty will always be less than duty in supermarkets
 - By doing so we will remove the obstacles that stop businesses investing, tackle the labour shortages that stop them recruiting, break down the barriers that stop people working, and harness British ingenuity to make us a science and technology superpower.
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Budget

There are three government economic aims to halve inflation, ensure growth and have falling debt levels in the medium term. Fortunately there are measures which would help with all of these. The essential task should be to provide incentives to expand capacity in this country.

We are short of employees, short of some skills, short of home produced food and energy, lacking in many types of industrial output from steel to chemicals, short of hospital beds and transport capacity.

Most of this outside the NHS needs to be private sector activity and investment.

The government says it is going to take a series of measures to encourage more people back into the workforce. Older people may need tax changes and incentives to return to the workforce. Younger families may need help with childcare costs. Some need better training and support in work. I will support the measures they have chosen to help to bridge the gap between

jobs available and people willing to do them. I do not support the low wage migrant model for meeting our employee needs.

The government says it wants to see more investment in energy and industry. In that case it needs to keep the corporation tax rate down. The decision to hike the rate makes us less competitive. The introduction of a 100% initial allowance for the costs of certain investments is helpful, but it is replacing the more generous super deduction we have at the moment so it is not going to give us any boost. At the very least the windfall taxes should be true windfall taxes that come down or end when the price of energy abates below a stated high level. Better still the government should cut taxes and remove subsidies at the same time. The money go round of adding taxes to high priced energy and then needing to give bigger subsidies to buy it makes little sense. Indeed, the high windfall taxes especially if allied to higher corporation tax will cut energy investment when we need more of it to increase supply and temper the price.

The OBR has changed its forecast for the current year deficit yet again. It was £99bn in the March forecast, £177 bn in the November forecast and now £152bn. I said in March they were too low and in November a bit high. They must be closer to getting it right now there are only a couple of weeks to the year end they are forecasting. Their estimate for next year of £131.6bn may be optimistic as they are forecasting slow growth and may be overestimating the revenue they can collect with some higher rates. They underestimated the Corporation tax revenue this year when it stayed at a lower rate.

They anticipate inflation collapsing to zero by 2025 for no obviously good reason. That seems unlikely, unless we do get an unforeseen recession. They now anticipate a much lower rise in unemployment this year and next than in the previous forecast. They now expect the UK to avoid recession this year after forecasting a down year at minus 1.4% in November, Their frequent changes of forecast, their failure to detect major changes of trend and their models which seem to underestimate the impact of changing tax rates on behaviour make these forecasts difficult to rely on.

[Interview with Dan Wootton On GB News – pre-Spring Budget announcements](#)

I spoke to GB News last night about the Chancellor's upcoming Spring Budget announcements – particularly on support for childcare to encourage parents back into work and the expected corporation tax rise

You can find my interview below between 1:23:20 – 1:30:58

My Intervention in the second reading of the Illegal Migration Bill

John Redwood (Wokingham) (Con):

Is the Home Secretary also worried that the criminal gangs that are exploiting people in this dreadful way for great profit may also be linked to other types of serious crime and helping to finance other destabilisation?

Suella Braverman – Minister of State for the Home Office:

I am afraid that my right hon. Friend raises a very worrying fact about what we are seeing. When I have spoken to police chiefs around the country, they tell me that criminality—particularly drug supply and usage—is now connected to people who came here illegally on small boats in the first place.

Thirdly, Rwanda is a fundamentally safe country, as affirmed by the High Court. It has a proud track record of helping the world's most vulnerable, including refugees, for the United Nations.

The Small boats Bill

There was a strong divide in the Commons yesterday, with much better attendance than usual for the debate on the small boats bill. Labour, the SNP and Lib Dems were angry about the idea that people arriving on illegal boats should be asked to leave and will lose their right to apply for asylum here in the UK. They thought this would be against Human Rights law and were on the side of the people paying large fares to gain illegal entry.

Many Conservatives were only concerned about whether this Bill will be strong enough to act as a clear deterrent to people not to spend their money on dangerous crossings, lining the pockets of people traffickers. More concern was expressed about the risk to lives and less about the legal issues. There were questions about whether this Bill would be proof against endless appeals and legal claims against any rejection of an asylum application. The Home Secretary pointed out that many of those coming by illegal means come from safe countries. She told us that many Albanians have now been required to return to their home.

There was argument over the adequacy of existing safe routes. The Opposition spoke as if there were few or no such routes, and as if the UK did not take enough people in need. The government pointed to the Afghan, Syrian, Ukrainian and Hong Kong schemes which are much used. It also reminded the

House that there are schemes for people from any qualifying country around the world, with the family reunion route, the Community support route and the general UNHCR scheme. The UK has found homes for a large number of Ukrainians and Hong Kong citizens in recent months.

There was an unwillingness by the Opposition to accept the idea that the country should set a maximum for the numbers of asylum seekers we can take in any given year, given the need to provide good homes, schools, health care and the rest for new arrivals. Most did agree that migrants occupying more and more hotels at taxpayer expense was not a good model, though there was less agreement over how much such emergency accommodation was needed and to what standard. This is going to be a major divide in Parliament over the next few weeks, and will pose a challenge to the Lords.